

OFFICE OF FISCAL ANALYSIS

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HB-5042

AN ACT CONCERNING HEALTH CARE COST GROWTH. AMENDMENT

LCO No.: 5507

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OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
UConn Health Ctr.	GF - Cost	See Below	See Below
Office of Health Strategy	GF - Revenue Gain	100,000	100,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The amendment, which requires private health carriers in Connecticut to develop at least two health enhancement programs (HEPs) under their policies, does not result in a fiscal impact to the state. It is anticipated that the Insurance Department, which may adopt implementing regulations under the amendment, can review compliance within existing resources.

It is unknown if there will be a fiscal impact to fully insured municipalities as a result of HEP provisions of the amendment.

The amendment also changes the CON application fee from \$500 to a range of \$1,000 to \$10,000 depending on the proposed project's cost. Based on a four-year average of CON proposals, the amendment's fee schedule is anticipated to generate an additional \$100,000 in annual

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revenue. The current fee of \$500 generates approximately \$12,500 annually.

This increase in the application fee results in a cost to UConn Health Center each time the entity applies for a CON. The health center expects to apply for one CON in either FY 23 or FY 24. The cost will be equal to the difference between the current fee (\$500) and the new fees based on project costs (\$1,000 to \$10,000).

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.